

## NEW JERSEY'S MINIMUM WAGE\*

New Jersey's minimum wage law takes effect on July 1, 2019, lifting the earnings of more than one million workers. The goal of the law is to achieve a \$15 hourly minimum wage without adversely affecting small and seasonal businesses, so incremental rates were set to give certain employers additional time to comply. The chart below details the adjustments to New Jersey's minimum wage:

| Date            | Most<br>Employers | Seasonal<br>& Small<br>Employers<br>(fewer than 6) | Agricultural<br>Employers | Cash Wage<br>for Tipped<br>Workers** | Wage for<br>Long-Term Care<br>Facility Direct Care<br>Staff Members*** |
|-----------------|-------------------|--|---------------------------|--------------------------------------|--|
| January 1, 2020 | \$11              | \$10.30  | \$10.30                   | \$3.13                               | \$11, \$14 as of 11/1/20   |
| January 1, 2021 | \$12              | \$11.10  | No Change                 | \$4.13                               | \$15   |
| January 1, 2022 | \$13              | \$11.90  | \$11.05                   | \$5.13                               | \$16   |
| January 1, 2023 | \$14              | \$12.70  | \$11.70                   | No Change                            | \$17   |
| January 1, 2024 | \$15              | \$13.50  | \$12.50                   | No Change                            | \$18   |
| January 1, 2025 | TBD               | \$14.30  | \$13.40                   | TBD                                  | TBD  |
| January 1, 2026 | TBD               | \$15.00  | \$14.20                   | TBD                                  | TBD  |
| January 1, 2027 | TBD               | TBD  | \$15                      | TBD                                  | TBD  |

<sup>\*</sup> Under the law, the "effective minimum wage rate" for any given year covered by this chart is the highest of the federal minimum wage rate, the minimum wage rate set by New Jersey statute, or a minimum wage rate adjusted to account for increases in the Consumer Price Index (CPI). The minimum wage rates listed in the chart through 2022 are the true effective minimum wage rates for those years. However, the minimum wage rates listed for 2023 and the following years reflect only the NJ statutory rates (and, thus, are estimates), in that we do not yet know whether either the federal minimum wage rate or the CPI-adjusted rates will exceed the NJ statutory rates for those years.



<sup>\*\*</sup> Cash wage plus tips must equal at least the State minimum wage

<sup>\*\*\*</sup> As of 11/1/2020, Long-Term Care Facility Direct Care Staff Members are paid \$3 above the State minimum hourly wage and increases accordingly anytime the State minimum wage increases.

<sup>\*\*\*\*\*</sup> Overtime at the time and a half regular rate is due with the exception of certain truck drivers, loaders, helpers and mechanics involving vehicles weighing in excess of 10,000 lbs. GVW and who travel interstate.